GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:319
ANSWERED ON:06.07.2004
PROPOSAL TO IMPROVE THE FINANCIAL HEALTH OF SEBS
Acharia Shri Basudeb

Will the Minister of POWER be pleased to state:

(a) whether any action has been initiated by the Union Government to get SEBs out of red by the year 2008;

(b) if so, the details thereof along with future plan of the Government;

(c) whether States have initiated reform process and Union Government has given sops under APDRP to the States to improve their financial health; and

(d) if so, the details of fund released under APDRP and success achieved by each State during the last three years till date?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF POWER(SHRI P.M. SAYEED)

(a) & (b) : With a view to reduce the transmission, distribution and commercial losses, the Ministry is implementing Accelerated Power Development Reforms Programme (APDRP). Funds are released as Additional Central Plan Assistance to State Electricity Boards (SEBs)/ Utilities for Upgradation and strengthening of the Sub-Transmission and Distribution system in the country and improving the commercial viability of State Electricity Boards. States have been requested to prepare business plans for turnaround of SEBs. The Memorandum of Understanding (MoU) and Memorandum of Agreement (MoA) have been signed with the States to commit them to carry out distribution reforms in a time bound manner. Substantial relief has also been given to the State Utilities through the securitisation of past dues to Central Public Sector Undertakings (CPSUs) under the Tripartite Agreement signed with the States.

(c) : Yes, Sir.

(d) :The statements showing the details of the funds released during the last three years under investment and incentive components of APDRP are at Annexure I and Annexure-II. The results of the initiatives taken by Government of India as reflected in cash loss reduction, and reduction of losses are indicated in Annexure-III and Annexure-IV.